



CITY OF BEND

## **Minutes**

### **Affordable Housing Advisory Committee (AHAC)**

3:00 PM, Wednesday, July 10, 2024

**Staff Liaisons:** Lynne McConnell, Racheal Baker, Amy Fraley, Deena Cook, Kerry Bell, Mellissa Kamanya and Brook O'Keefe

**Roll Call:** Alison Hohengarten, Heather Simmons, Mandy Dalrymple (Vice Chair), Geoff Wall, Ian Schmidt (Chair), Helen Silfven, Ian Karasz

**Guests:** Elizabeth Oshel (City of Bend, Assistant City Attorney), Megan Perkins (Bend City Councilor)

- **Public Comment**

Morgan Greenwood, Government Affairs for Central Oregon Builders Association (COBA). Greenwood recognized that the second reading of the Tree Code is coming up in City Council. As the current code is proposed, it would apply to master plan developments that already received approval. Master plan developments that secured financing without consideration of tree preservation may not be able to develop the proposed conceptual plan. Greenwood requested that developments with master plans already approved be spared the tree code requirements. Additionally, Greenwood requested that street trees and decorative rocks be an option in landscaping strips in addition to sod or plants.

AHAC discussed this public comment at the end of the meeting. Ian Leitheiser, Assistant City Attorney, provided some insight regarding the period when the Council heard public comments on the record about these codes. He noted that the public comment record period closed for the tree code amendments and the right of way landscaping amendments. Leitheiser also noted that Council did hear COBA's concerns when the discussion was still open and that an opportunity exists to look at the tree code impacts to housing development in a year and make adjustments, if necessary.

Diane Hodiak, Executive Director 350Deschutes, requested sharing a flyer advertising a clean energy conference on October 2, 2024. The conference will highlight opportunities and solutions in building, clean energy, efficiency, sustainability, EV charging and electric vehicles.

Scott Nordquist, Bend Redmond Habitat for Humanity, provided public comment ahead of the grants vs loans discussion scheduled later in the AHAC meeting. Habitat recognized the benefits of the use of loans rather than grants, especially with down payment assistance. He emphasized that the availability for more funds directly benefits down payment recipients and increased

Housing staffing benefiting the community with additional programs and resources for housing. He is in favor of not changing the current process.

- **Approval of June Minutes**

Tabled until the August meeting.

- **Shelter Report**

Amy Fraley, Senior Program Manager, Brook O'Keefe, Shelter Coordinator, and Elizabeth Oshel, Assistant City Attorney, provided a preliminary City-supported shelter data update for FY 2024. O'Keefe highlighted the total shelter nights provided - 69,627. The shelters provided day services to hundreds of people averaging 327 people per month. Additional data showed that 73 people transitioned into permanent housing and 70 people moved into temporary housing. Fraley provided a shelter funding update announcing that Oregon Housing and Community Services (OHCS) funding will continue for FY 2025 and that Central Oregon Villages has been added to the list of recipients receiving funds. Fraley reminded AHAC that the Franklin Avenue Shelter had also been fully funded through the current fiscal year. She noted that if no additional funds come through, the City funds will be depleted by Fall 2025 and Winter 2026. If OHCS supports funding the same amount in fiscal year 2025/26 the Stepping Stone and the Lighthouse Navigation Center will continue to operate until December 31, 2026, when American Rescue Plan Act (ARPA) funding expires.

Elizabeth Oshel recapped the Supreme Court decision to reverse the 9<sup>th</sup> Circuit decision that an anti-camping law in Grants Pass violated constitutional protections against cruel and unusual punishment. The City of Bend implemented a camping code in early 2023 that complies with Oregon HB 3115, codified as 195.530 which requires that any local regulations on where people can sleep be "objectively reasonable".

- **Grants vs Loans Follow-Up**

Racheal Baker, Affordable Housing Manager, provided an update on Community Development Block Grant (CDBG) awards and program income. She explained the increases in program income from loan repayments received from the Neighborhood Stabilization Program (NSP) in 2018 and 2020 with additional loan repayments and refinancing due to the COVID pandemic through 2021. Racheal explained the importance of CDBG funding for public services. She discussed the Affordable Housing Fund and the loan repayments we receive from it that allow additional affordable housing developments funding. Racheal researched the accomplishments other Oregon cities achieve utilizing CDBG funds and she provided those findings which found that Bend accomplished similar outcomes to Eugene/Springfield and Portland noting however that funding in Bend is considerably less than those cities. Racheal addressed the committee asking if they wanted to consider changing the grants and loans policy. Chair Schmidt clarified some options for the committee; those being to create a subcommittee to discuss the consideration to change, discuss

the consideration during AHAC scheduled meetings or chose not to discuss and make no changes. The committee chose to continue under the current grants and loans policy.

- **Barriers to Development Follow-Up**

Chair Ian Schmidt celebrated the accomplishments made thus far by City staff and stakeholders in responding to housing production barriers brought forward by the local development community. Racheal Baker acknowledged Kerry Bell, Middle Income Housing Coordinator, and the work she has accomplished over the last year, meeting with stakeholders to understand the barriers they face and then vetting the barriers with internal staff as areas of opportunity within our codes and processes to improve middle housing production. Racheal referenced the list being kept of these opportunities and the continued progress being made on the list. Racheal noted, some of the projects that the City is currently discussing are sidewalks for connectivity, middle-income tax exemption, and Middle Housing Land Division code updates. Racheal explained expedited review for all phases of multiple phased developments and additional changes to the SDC methodologies may require greater Council action or prioritization. Housing Director Lynne McConnell discussed the proposal for City leasing land for housing development or credit/interest enhancement and why Council action or prioritization would be necessary. Chair Schmidt mentioned that there are a considerable number of on-going projects that still need to be addressed. Schmidt suggested the option of drafting a letter to the City Council to inquire on a timeline for these projects. The committee also discussed the option to use the next Council Check-In to make a recommendation to Council on the listed solutions be pursued further. Lynne McConnell discussed how she believes the City Manager is prioritizing many of the issues on the list very seriously. Committee member, Helen Silfven, discussed the need for official acknowledgment and updates on the listed items and work that is being done. It was decided that for now, committee member Tony Levison would use the next Council Check-In to affirm AHAC's support for continued internal work on the list of identified issues. McConnell advised that September would be an appropriate time to bring back some of the bigger topics to consider if AHAC would like to recommend items to be moved forward for Council Goal setting.

- **HUD Pro Housing Grant Recap**

Mellissa Kamanya, Affordable Housing Coordinator, provided an update to the HUD (Pathways to Removing Obstacles) Pro Housing Grant. Bend received \$5 million in funding from the 1<sup>st</sup> round of competitive grant funding from HUD. Out of 175 applications received, Bend was one of 21 awardees. Criteria for award consideration was given to cities that were currently underway with removing barriers but still had work to do.

- **Staff Report**

- Committee Council Check In – Wednesday, July 17 from 3:00-5:00pm. Tony Levison will attend on AHAC's behalf.

- Stewardship Subcommittee on Monday, July 29 11:30-1:00pm.
- **Adjourn**